

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

HOSPIRA, INC.)	
)	
Plaintiff,)	C.A. Nos. 1:16-cv-00651
)	1:17-cv-07903
v.)	
)	Hon. Rebecca R. Pallmeyer
FRESENIUS KABI USA, LLC)	
)	
Defendant.)	

MOTION FOR PARTIAL SUMMARY JUDGMENT ON PRIOR SALE

Mindful of the fact that trial is soon approaching, Fresenius Kabi files this summary judgment motion on a narrow legal issue: whether there were prior sales and an offer for sale for dexmedetomidine (“dexmed”)-in-glass products. This is a legal issue, and one that can be addressed before trial begins. Because Hospira itself succeeded on the same issue in another, unrelated case this year, we expected them to agree there had been a sale. But they did not.

There are three reasons to consider the motion now:

First, the prior sale and prior offer issues are legal issues. The focus of this motion is whether transactions involving the dexmed regulatory submission and dexmed-in-glass products constitute prior sales and an offer for sale, which is a contract interpretation issue that is a question of law for this Court. *The Medicines Co. v. Hospira, Inc.*, 881 F.3d 1347, 1350 (Fed. Cir. 2018); *Allen Eng’g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1352 (Fed. Cir. 2002). In particular, in 1994 a company called Orion sold an Investigational New Drug application to Abbott related to dexmed-in-glass, which included an offer to sell glass ampoules of dexmed. In 2004, Abbott then sold the same IND to Hospira, the plaintiff in this case. Hospira did not file its own patents until 2012. These facts are not disputed, nor are the terms of the contracts involved in those transactions. And if those transactions meet the legal test for prior sale and

prior offer for sale, then they can be used to show the patents are invalid. *Pfaff v. Wells Elecs., Inc.*, 525 U.S. 55, 67 (1998).

In fact, in a very recent case on an unrelated drug product, Hospira itself persuasively laid the groundwork for demonstrating that a drug product is the subject of an offer for sale as a matter of law. See *The Medicines Co. v. Hospira, Inc.*, 881 F.3d 1347 (Fed. Cir. 2018). In that case, Hospira and the same attorneys that represent it in this case successfully showed that a drug was offered for sale by relying on the same contractual terms found in the agreements at issue in this case. *Id.* at 1349–52.

Second, the motion is intended to eliminate two issues and the need for testimony from up to four witnesses at trial. By addressing the legal issue of whether there was a prior sale and offer for sale, then the IND and the product described therein will be used at trial to show invalidity. The ultimate issue of invalidity will still be contested and remain an issue for trial. But at least the legal issues of whether the IND and dexmed glass ampules were the subjects of a sale or offer for sale—involving testimony of going through contract terms—will be avoided.

As stated above, there will be potentially four fewer trial witnesses if the legal issue is addressed by summary judgment. These witnesses would otherwise review and consider contract terms involving the IND documents and related press releases. One of them, an expert that Hospira recently disclosed for this issue, is a law professor who will likely address UCC provisions and opine about whether they apply in this case. If this issue is not resolved by summary judgment, it will involve motions in limine, in order to eliminate Hospira's purely legal testimony about contract interpretation.

Third, the prior sale/prior offer issue will need to be addressed whether before or after trial. Providing the Court with the benefit of additional time to consider the briefing is all the

more important here, where the parties discussed in court a stipulated deadline for a generic launch if an opinion has not been issued. (D.I. 91, 1:16-cv-00651; D.I. 34, 1:17-cv-07903.)

Briefing the issue now will provide the Court with additional time to consider this separate legal issue, and in view of several recent Federal Circuit decisions.

Dated: May 8, 2018

Respectfully submitted,

/s/ Imron Aly

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CERTIFICATE OF SERVICE

I, Tara Kurtis, an attorney at the law firm of Schiff Hardin LLP, hereby certify that on May 8, 2018, I caused a true and correct copy of the foregoing MOTION FOR PARTIAL SUMMARY JUDGMENT ON PRIOR SALE to be electronically served on counsel of record via the Court's CM/ECF system.

/s/ Tara Kurtis

Tara Kurtis